

Executive Summary



EXECUTIVE SUMMARY

This Quarterly Budget Report provides the Board of Supervisors, County departments, members of the public, and other interested parties with an overview of the final status of revenues, expenditures, Net County Cost (NCC), and total budgeted positions for FY 2005-06. The Executive Summary provides information at a summary level. Detailed information is provided in each of the sections following the Executive Summary.

Revenue

Overall, total County revenues ended the year 19% below budget, which is offset by a 31% under run in expenditures. General Fund total revenues ended the year 6% below budget, which is offset by an equivalent under run in expenditures. The overall revenue variance is predominately due to the timing of revenue receipts, timing of project completion and subsequent reimbursement for costs, and lower than projected caseloads. The General Fund revenue variance is predominately due to the same reasons including ongoing capital projects not completed by year-end and subsequently reimbursed, and delay of receipt from the State of approximately \$13 million to the Registrar of Voters for reimbursement of costs for retrofitting all Direct Record Electronic Voting Systems to provide a voter verifiable paper audit trail. Detailed variance explanations are provided in the Revenue section of the report for those agencies/funds with variances greater than 10% and \$100,000, or greater than \$1,000,000.

General Purpose Revenues are \$79 million, or 16%, above budget. This variance is due to higher than anticipated property tax revenue. Public Safety Sales Tax is \$10.5 million, or 4%, above budget. Health and Welfare Realignment Revenues are \$12 million, or 5%, above budget.

Expense

Overall, total County expenditures/encumbrances were 31% under budget at year-end. General Fund expenditures/encumbrances were 6% under budget at year-end. This variance is predominately due to the timing of encumbrances/expenditures, higher than budgeted vacancy factors, lower than projected caseloads, and the deferral/timing of various ongoing, multi-year projects. Variance explanations are provided in the Expense section of the report for those agencies/funds with variances greater than 10% and \$100,000, or greater than \$1,000,000. Provided in the Expense section of this report is detail of actual salary and benefit, services and supplies, and fixed asset expenditures for each applicable fund/agency.

Net County Cost

Net County Cost (NCC) ended the year \$52 million or 9% below budget. This variance is primarily in the Capital Improvements program area related to budgeting of ongoing, multi-year projects and the timing of project completion. Line item detail is provided in the Net County Cost section of this report.

Cash and Reserves

Overall, total County cash balances are 4% higher than 12 months ago. Cash has increased primarily due to continued economic strength which has contributed to growth in areas such as Public Safety Sales Tax, Realignment Revenue, Tax Apportionments, and Interest Earnings. The net increase to reserves is predominately attributable to budgeted increases in reserves and increases in reserves approved in the First Quarter Budget Report and subsequently booked during the second and third quarters.

Budget Issues

The Fourth Quarter Budget Report contains items primarily related to fiscal year-end closing activities. At the end of the fiscal year, the County undergoes a one-month process of closing the books. Details of the fiscal year-end closing activities are provided in the Budget Issues and Recommended Actions sections. Also included are a look at the final year-end General Fund Balance Available, grant survey results, and various departmental issues.

Positions

The total position count at fiscal year-end is 18,144, an increase of 115 positions over the adopted position count of 18,029. Details of the position changes made in this report and throughout the fiscal year are included in the Human Resources Issues section.